

Dear Public Disclosure Commission:

I write in response to the complaint filed on January 29, 2017 by Glen Morgan. Below are detailed responses to each item of the complaint:

1. The January 2015 activity was a \$45 auto-charge from Blue Utopia (website hosting) on 1/5/2015 and \$0.45 interest income on 1/21/2015. The 2016 C1 and January C4 report were filed as soon as the activity was realized – most likely in the process of a bank reconciliation for the month of January.
2. The 6/3/2015 & 7/5/2015 payments of \$75 to Blue Utopia were monthly automatic payments for website hosting. No other expense breakdown was provided from Blue Utopia, nor was any additional expense invoiced from them. Domain renewals and website updates were included in the \$75/month fee.
3. In regards to the expenses which allegedly should have been reported as debts in the previous months:
 - a. All of the Blue Utopia fees (6/3/16 – 11/3/16) in the list were paid in the same month which their service was incurred. Example: the 6/3 payment was for the June website hosting. Therefore it was not applicable as a debt.
 - b. The \$454.74 expense on 6/6/2016 to Kris Lytton was included in the \$501.74 debt on the May C4. The debt reported combined the candidate filing fee & a postage reimbursement.
 - c. The expenses to Melissa Pfeifer LLC for “accounting/compliance” work were all paid within 30 days of being incurred and were always reported as a debt on the C4 reports if they totaled over \$250.
 - d. The \$75 to Melissa Pfeifer LLC on 12/10/2015 for NGP VAN: Data Services was a reimbursement for an expense paid on 10/27/2015 and therefor was just over the 30 days. I will amend this report so that we can include the statement: The report has been amended to include this debt.
 - e. The expenses to NGP Van for Data Services were all pre-paying the next three months of data services and were not applicable as debts.
4. This contribution has been refunded so no over the limit issue exists. The campaign is diligent to refund all over limit donations.

Regarding the assertion about inaccurately reporting the refunds, we have reported each refund acceptably. Because a particular candidate or committee can have several refunds issued, it can offset the bank reconciliation process if the item is simply “deleted” from the account before the refund checks have cleared. Additionally, deleting a donation or expense like that means that it raises or lowers C4 amounts for that reporting period AND any reporting period thereafter. Because of the multiple amendment issue that can occur, the PDC has not required deleting entries.

5. The expense paid to the Skagit County Democrats for GOTV expenses was a legitimate campaign expense. The expense was for the setup, printing, and distribution of a sample ballot by the Skagit County Democrats.
6. The 2016 campaign had no photography expenses or in-kinds because it used photos from the 2014 and 2012 campaigns.
7. The campaign is diligent in filing Last Minute Contribution reports in compliance with the State Law, but it has always been our understanding that they need to be filed within 48 business hours and that weekends and holidays do not apply to that timeline. All of the contributions listed were reported within the 48 business hours, but if the PDC does not agree that this complies with the law any longer please let us know and we will change how we file future LMC reports.
8. The amendment to the C3 listed was filed as soon as we became aware of the mistake in the C3 report as originally filed.

We contact the Public Disclosure Commission staff whenever questions or concerns arise, and we strive towards filing impeccably accurate compliance reports at all times. The complaint filed against the campaign is inaccurate, full of errors, and alleges wrongdoing where none exists. Any inaccuracies in our reporting were oversights and were corrected as soon as we realized the mistakes. We hope the PDC will recognize the good faith efforts we make in trying to keep the public informed with timely and accurate disclosure.

We respectfully ask that you dismiss the complaint filed by Mr. Glen Morgan.

Sincerely,

Kris Lytton